

Message Text

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PAGE 01 JAKART 10100 030725Z

21/12

ACTION PM-04

INFO OCT-01 EA-07 ISO-00 CIAE-00 INR-07 NSAE-00 L-03 SS-15

NSC-05 EB-07 COME-00 /049 W
----- 111257

P R 300739Z JUL 76

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC PRIORITY 5921

SECDEF ASD/ISA/EA#PR/DSAA/TC PRIORITY

INFO CNO OP-633 PRIORITY

CINCPAC

CSAF AF/XO AF/LG

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C O R R E C T E D C O P Y (MRN SHLD READ 10100 VICE 9991).

CINCPAC ALSO FOR POLAD

E.O. 11652: N/A

TAGS: MASS, ID, US

SUBJECT: GOI REJECTS AGENTS FEE FOR OV-10F PURCHASE (FMS CASE
ID-SAE-P4)

REF: (A) CNO 031637Z JUL 76 (NOTAL), (B) SECDEF 062207Z AUG 75

1. IN LETTER DATED JULY 28 TO AMBASSADOR, LGEN HASNAN HABIB
OF GOI DEPT OF DEFENSE AND SECURITY (HANKAM) STATES THAT GOI
CANNOT ACCEPT \$484,000 AGENTS FEE IN CONNECTION WITH FMS
CASH PURCHASE OF OV-10F AIRCRAFT PURSUANT TO LETTER OF OFFER
AND ACCEPTANCE (LOA) SIGNED MARCH 10, 1975. GEN. HASNAN HABIB
REQUESTS THAT AMOUNT OF AGENTS FEE BE DEDUCTED FROM PURCHASE
PRICE OF AIRCRAFT. AS REASONS FOR REQUEST HE STATES THAT GOI
NOT INFORMED OF AGENTS FEE AT TIME LOA SIGNED, THAT AGENT
(TAURNS INTERNATIONAL SDN. BHD. OF SINGAPORE) NOT DOMICILED
IN INDONESIA, AND THAT AGENT'S SERVICES HAVE NOT BEEN USED
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PAGE 02 JAKART 10100 030725Z

BY HANKAM.

2. GEN. HASNAN HABIB'S LETTER IS IN REPLY TO NOTIFICATION CONCERNING AGENTS FEE PROVIDED TO HANKAMBY DLG ON JULY 9 IN RESPONSE TO INSTRUCTIONS FROM CNO CONTAINED REF A. IN NOTIFICATION SENT TO HANKAM, DLG, QUOTING FROM REF A, STATED THAT WHEN EXISTENCE OF AGENT'S COMMISSIONS IS DISCLOSED DURING NEGOTIATION OF CONTRACT UNDER FMS TRANSACTION, "IT IS DOD POLICY TO DELAY NEGOTIATIONS PENDING NOTIFICATION OF PURCHASING GOVERNMENT. THIS ALLOWS YOU TO VOICE ANY OBJECTIONS YOU MAY HAVE TO THE CLAIMED COMMISSION. NO COMMISSION WILL BE ACCEPTED BY DOD IF DISAPPROVED BY THE GOVERNMENT OF INDONESIA." NOTIFICATION WAS PURSUANT TO DOD REGULATIONS ON DISCLOSURE OF AGENT'S FEES SET FORTH REF B.

3. DELIVERY OF FIRST OV-10FS SCHEDULED FOR SEPT 1976. UNDER TERMS OF LOA GOI HAS ALREADY MADE SEVERAL PAYMENTS TO USG.

4. ACTION REQUESTED: AMBASSADOR HAS MEETING WITH LGEN HASNAN HABIB AUG 3. IN ANTICIPATION THAT HASNAN HABIB MAY RAISE THIS QUESTION, WOULD APPRECIATE ADVICE PRIOR TO AUG 3 REGARDING WHAT STEPS CAN BE TAKEN TO COMPLY WITH GOI REQUEST THAT AGENT'S FEES BE DEDUCTED FROM OV-10F PURCHASE PRICE. NEWSOM

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY AIRCRAFT, BUSINESSMEN, MILITARY SALES, FEES, EXPORTERS
Control Number: n/a
Copy: SINGLE
Draft Date: 30 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976JAKART10100
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760298-0392
From: JAKARTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t1976076/aaaaaegq.tel
Line Count: 85
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION PM
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 26 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 MAY 2004 by ElyME>; APPROVED <27 SEP 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOI REJECTS AGENTS FEE FOR OV-10F PURCHASE (FMS CASE ID-SAE-P4)
TAGS: MASS, ID, US, (HABIB, HASNAN)
To: STATE DOD
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006